

# Single Rulebook Q&A

<b>Question ID</b>	2021_5772
<b>Status</b>	Final Q&A
<b>Legal act</b>	Regulation (EU) No 575/2013 (CRR)
<b>Topic</b>	Supervisory reporting - Liquidity (LCR, NSFR, AMM)
<b>Article</b>	430
<b>Paragraph</b>	-
<b>Subparagraph</b>	-
<b>COM Delegated or Implementing Acts/RTS/ITS/GLs/Recommendations</b>	Regulation (EU) 2021/451 - ITS on supervisory reporting of institutions
<b>Article/Paragraph</b>	PART III:AVAILABLE STABLE FUNDING
<b>Date of submission</b>	09/03/2021
<b>Published as Final Q&amp;A</b>	17/02/2023
<b>Disclose name of institution / entity</b>	No
<b>Type of submitter</b>	Credit institution
<b>Subject matter</b>	Deductions
<b>Question</b>	The capital items and instruments in the NSFR shall be reported prior deductions. The deductions should be reported as other assets with a RSF of a 100% (Article 429o, point (a), CRR). Should the off-balance deductions be reported on this row as they need an associated RSF, or they shouldn't be reported at all?
<b>Background on the question</b>	Replicating the treatment applied on BIS and on the CRDIV templates, the items deductible from capital instruments should be reported with an associated 100% RSF.
<b>Final answer</b>	<p>The provisions further specifying the Net Stable Funding Ratio ('NSFR') requirement under Part Six, Title IV, of Regulation (EU) No 575/2013 as amended by Regulation (EU) 2019/876 ('CRR') generally explicitly distinguish between assets, liabilities and off-balance-sheet items (e.g., see Article 428c(2) CRR).</p> <p>Article 428ah(1), point (b), CRR provides for the application of a required stable funding factor of 100% to any assets other than those referred to in Articles 428r to 428ag CRR, including loans to financial customers having a</p>

residual contractual maturity of one year or more, non-performing exposures, items deducted from own funds, fixed assets, non-exchange-traded equities, retained interest, insurance assets, defaulted securities. Because of the terminology 'including', the non-exhaustive list of exposures referred to in the second part of this paragraph is only to be understood as a subset of the 'any assets' referred to in the first part.

Against this background, off-balance sheet items, including those that are deducted from own funds, are not in the scope of Article 428ah(1), point (b), CRR. Instead, off-balance sheet items deducted from own funds would rather fall under Article 428p(10) CRR, meaning that the treatment and reporting of such items would depend on whether or not the competent authority has determined a required stable funding factor for such items. Precisely:

- If the competent authority has determined a required stable funding factor for such items, they would need to be reported under row 1090 (ID 1.10.5) of template C 80.00 of Annex XII to Regulation (EU) 2021/451 (ITS on Supervisory Reporting) and would therefore also feed into the NSFR calculation.
- If the competent authority has not determined a required stable funding factor for such items, they would not need to be considered in the NSFR calculation and would also not need to be reported in template C 80.00.

**Link**

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